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RUEHCN/AMCONSUL CHENGDU 2684  
RUEHGZ/AMCONSUL GUANGZHOU 1253  
RUEHHK/AMCONSUL HONG KONG 9523  
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RUEHSH/AMCONSUL SHENYANG 6652  
RUEKJCS/SECDEF WASHINGTON DC  
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RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000690

SIPDIS

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TAGS: [PGOV](#) [PINR](#) [TW](#)

SUBJECT: FORMER VICE PREMIER TSAI ING-WEN ELECTED DPP  
CHAIRPERSON

REF: TAIPEI 626

Classified By: AIT Deputy Director Robert S. Wang,  
Reasons: 1.4 (b/d)

11. (SBU) In the DPP chairperson election on Sunday, May 18, former Vice Premier Tsai Ing-wen, age 51, won a decisive victory over Deep Green elder Koo Kwang-ming, age 82. Tsai won 57 percent of the votes, compared to Koo's 38 percent, while legislator Trong Chai, who had withdrawn from the race in favor of Koo, received 5 percent of the ballots. Of the larger constituencies, Koo won only his home district (Changhua County) and Trong Chai's district (Chiayi City). Turnout on Sunday was 51 percent, significantly higher than the expected 35-40 percent and much higher than the last DPP chairperson election in 2006, when only 20 percent of eligible party members went to the polls. The high turnout rate this time may have been due to DPP members' concern over their beleaguered party's future plus the fact that this election also included voting for local party officials and representatives. Tsai becomes the DPP's youngest chairperson and the first woman to serve as chairperson of a major political party in Taiwan.

12. (C) Some observers characterized this campaign as a contest between the past (Koo and Chai) and the future (Tsai), with Koo and Chai representing the Deep Green independence fundamentalist wing of the party, and Tsai representing moderate and pragmatic forces in the DPP. Fierce rivalry between these two camps has marred DPP intraparty politics since 2005 when the party began its long downward slide resulting from a series of corruption scandals and election defeats. After throwing his support to Koo, Trong Chai tried to brand Tsai Ing-wen as a stalking horse for the exclusive New Tide faction, the bete noire of the independence fundamentalists. However, Tsai Ing-wen, who only joined the DPP in 2004, effectively defended her record on "Taiwan sovereignty" and took care to maintain distance from the New Tide and other factions. Therefore, the Koo camp's strategy failed.

13. (SBU) Tsai based her campaign appeal primarily on administrative experience and effectiveness in implementing policy. While stressing her support for the "party's ideals of protecting Taiwan's sovereignty, deepening and consolidating democracy, and promoting social equity and justice," Tsai also made clear she would be pragmatic, have an international outlook, and seek to expand support for the

party in the middle spectrum of Taiwan politics. Political observers here attribute Tsai's victory to her clean and capable image, her relative youth in the context of a widespread desire for generational change, support from important factions, plus her proven ability to find pragmatic solutions without abandoning principles. In a televised interview the evening before the election, Tsai stressed the need for the party to restore its clean image and to reestablish close links to grassroots supporters.

¶4. (C) In a show of unity, Tsai and Koo held hands as they entered the DPP press conference to announce the election results. Tsai pledged to reach out to all DPP supporters, including those of Koo and Chai, stressing she would need all the support she could find to share the burdens as the DPP undertook its new role as an opposition party. Given existing rivalries and distrust, however, creating genuine unity will be difficult, and the uneasy balance in the party between reformers and independence fundamentalists will continue. One of the first tests Tsai will face is to select a slate of leaders to fill top positions at party headquarters that is acceptable both to moderates and the Deep Green. Tsai will also have to begin preparations for the annual party congress scheduled for September. At the congress, delegates will elect the new Central Executive Committee (CEC), which in turn will elect the Central Standing Committee (CSC) from among its members. (Note: The CEC and CSC have 30 and 10 elected members respectively; 5 ex officio members, including the chairperson, also sit on both committees.) The key locus of power in the party is the CSC, which always has representatives from the different factions

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and meets weekly.

¶5. (C) In a phone conversation on May 19, Tsai told the Director that although the DPP is factionalized and demoralized, she did not expect the party to split. Splits have not been successful historically, Tsai explained, and she intended to coax Deep Green factions back into the party fold. Factions are a reality in the DPP, she added, and it is unrealistic to pretend they do not exist. Tsai said she was working to identify good candidates for the new CSC that will be representative of the main groups in the party. She also stressed that the DPP needs a better process to pick candidates, including for the 2009 local elections, since the old system, which was "too bloody," has weakened and polarized the party.

Bio Note

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¶6. (C) An ethnic Taiwanese, Tsai Ing-wen was born in 1956 and studied law at National Taiwan University, Cornell, and the London School of Economics, where she received a doctorate in 1984. In addition to university teaching, Tsai played an important role in Taiwan's trade negotiations in the 1990's. She was also a member of President Lee Teng-hui's National Security Council team that developed the controversial "two state theory" in 1999. Tsai served as head of the Mainland Affairs Council (MAC) during DPP President Chen Shui-bian's first term (2000-2004), and she was an at-large DPP legislator from 2004-2005. Tsai became vice premier under Premier Su Tseng-chang from January 2006 - May 2007, and after leaving government, she became chairwoman of the government-backed TaiMed Biologics biotech firm.

Comment

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¶7. (C) A clean and efficient professional, Tsai Ing-wen will definitely burnish the DPP's image and most probably improve its performance. According to DPP polling, public support for the party fell to 18 percent following the Papua New Guinea diplomatic scandal (reftel), but the party should now begin to recover. Tsai is a relative outsider to DPP

politics, which could be an asset so long as she can maintain neutrality. The party chairperson's leadership role is limited as the CSC generally makes important party decisions on a group basis following jockeying and compromise between the various factions. One of Tsai's important goals will be for the DPP to make a solid showing in the December 2009 local elections. If the DPP does worse than anticipated, however, she would be expected to resign at that time.

YOUNG